

**LEMON GROVE CITY COUNCIL
AGENDA ITEM SUMMARY**

Item No. 2
Mtg. Date May 15, 2018
Dept. Development Services Department

Item Title: **Public Hearing to Consider Zoning Clearance ZC1-700-0020; a Request to Establish 15 Apartment Dwelling Units at 2555, 2561, and 2571 Crestline Drive in the Residential Low/Medium Zone**

Staff Contact: **David De Vries, Development Services Director**

Recommendation:

1. Conduct the public hearing; and
2. Adopt a Resolution (**Attachment B**) denying ZC1-700-0020, a request to apply for a Zoning Clearance permit to establish 15 apartment dwelling units at 2555, 2561, and 2571 Crestline Drive in the Residential Low/Medium Zone.

Item Summary:

This project is a Zoning Clearance request to convert a 14 bedroom independent living facility with shared bathroom and kitchen facilities to 15 multi-family dwelling units including one (1) two bedroom unit, four (4) one bedroom units, and ten studios with bathroom and kitchenette facilities in each unit located at 2555, 2561, and 2571 Crestline Drive in the Residential Low Medium Zone on a 0.66 acre residential property. Neither the current or proposed land use complies with the Zoning District regulations, and the Municipal Code provides that the City Council can approve a change from a nonconforming use to another nonconforming use if certain findings are made. The project does not comply with purpose, density and land use description of the Low/Medium Density Residential Land Use Designation of the General Plan and does not comply with the purpose, allowable land uses or development standards of the Residential Low/Medium Zoning District. No community benefits or street improvements are proposed as a part of the project. Staff's discussion regarding the existing and proposed land uses and policy and regulatory requirements are provided herein (**Attachment A**).

Fiscal Impact:

None.

Environmental Review:

- | | |
|--|---|
| <input type="checkbox"/> Not subject to review | <input type="checkbox"/> Negative Declaration |
| <input checked="" type="checkbox"/> Categorically Exempt | <input type="checkbox"/> Mitigated Negative Declaration |

Public Information:

- | | | |
|---|--|--|
| <input type="checkbox"/> None | <input checked="" type="checkbox"/> Sign Posted on Property | <input checked="" type="checkbox"/> Neighborhood Meeting |
| <input checked="" type="checkbox"/> Notice published in local newspaper | <input checked="" type="checkbox"/> Notice to property owners within 500 ft. | |

Attachments:

- A. Staff Report
- B. Resolution of Denial
- C. Vicinity Map
- D. Letter from the Applicant
- E. Determination of Continued Use – April 19, 2017 and March 9, 2017
- F. Exhibit A – Project Plans

LEMON GROVE CITY COUNCIL STAFF REPORT

Item No. 2
Mtg. Date May 15, 2018

Item Title: **Public Hearing to Consider Zoning Clearance ZC1-700-0020; a Request to Establish 15 Apartment Dwelling Units at 2555, 2561, and 2571 Crestline Drive in the Residential Low/Medium Zone**

Staff Contact: David De Vries, Development Services Director

Background:

In 1961, the County of San Diego Board of Supervisors granted a Special Use Permit (P61-16) for a residential care facility for 16 residents at 2545, 2555, 2561 and 2571 Crestline Drive (two properties). The facility constructed at 2555, 2561 and 2571 Crestline Drive was 5,832 square feet in floor area.

In April 1979, a complaint revealed the site was licensed by the State for 40 residents without local authorization from the City of Lemon Grove.

In August 1979, the Planning Commission denied a request for 40 residents on-site.

In 2011, as a result of a lender inquiry, the Community Development Director determined the use of the northerly portion of the site (2555, 2561 and 2571 Crestline Drive) as an independent living facility was allowed to continue. There was no specified number of residents or beds.

In 2014, the property owner, Ms. Aileen Boren, sold 2545 Crestline (southerly portion) to City Redevelopment Inc. The property was subsequently converted to a 22 bedroom boarding house and after complaints were received, the Code Enforcement Division required the new property owner to convert the facility back to the permitted five bedroom single-family residence. City Redevelopment Inc. appealed to the City Council and the Director determination was upheld.

In March 2017, as a result of a lender inquiry, the Development Services Director determined the use of the northerly portion of the site (2555, 2561 and 2571 Crestline Drive) as an independent living facility was allowed to continue provided the number of beds did not exceed 16 and the number of bedrooms did not exceed 15.

In April 2017, upon further investigation of County Assessor historical construction records received by a potential buyer, the Development Services Director determined the use of the northerly portion of the site (2555, 2561 and 2571 Crestline Drive) as an independent living facility was allowed to continue provided the number of beds did not exceed 15 and the number of bedrooms did not exceed 14 as a result of an unpermitted garage conversion.

In July 2017, the property owner, Ms. Aileen Boren, sold 2555, 2561 and 2571 Crestline Drive to Mr. Matthew Philbin of Anthem Real Estate Ventures, Inc. Mr. Philbin proceeded with vacating the residents on the site upon purchase of the property (10 residents).

In December 2017, after consultations with staff about available options, Mr. Philbin submitted a Zoning Clearance request to convert a 15 bed and 14 bedroom independent living facility with shared bathroom and kitchen facilities to 15 multi-family dwelling units including one (1) two bedroom unit, four (4) one bedroom units, and ten studios with bathroom and kitchenette facilities in each unit located at 2555, 2561, and 2571 Crestline Drive (APN: 480-591-14-00) in the Residential Low/Medium Zone (Municipal Code Section 17.16.020) on a 0.66 acre residential property (Change from a Nonconforming Use to Another Nonconforming Use). The applicant has stated that he intends to rent the units to homeless veterans.

Attachment A

Discussion:

Lemon Grove Municipal Code Section 17.24.090(P) (Change from a Nonconforming Use to Another Nonconforming Use) provides that the City Council may authorize a nonconforming use to be changed to another nonconforming use upon a determination that the new nonconforming use can be carried without injury to the residents of adjacent properties and of the neighborhood, or that the benefit to the public health, safety or welfare exceeds any detriment inherent in such change. Since the existing use as an independent living facility and the proposed use as multi-family apartments are both nonconforming to the Residential Low/Medium Zoning District regulations, the change of nonconforming use provisions are applicable to the project proposal.

The General Plan Community Development Element describes the following policies which are to be adhered to for new projects.

Policy 1.1: Protect and enhance established neighborhoods.

Policy 1.7: Promote a healthy, family oriented community through appropriate land use and development decisions.

Policy 2.1: Promote quality single-family development that is compatible with the existing neighborhoods.

Policy 2.2: Focus new apartment and condominium development in the downtown village, next to the Massachusetts Avenue trolley station and in other emerging multiple-family areas while stabilizing the established neighborhoods.

Policy 2.3: Require that new condominium and apartment development provides quality housing opportunities that uplift the visual quality of the surrounding area.

Staff contends that the proposed project does not comply with any of the above General Plan Policies. Also, the site is not a designated housing opportunity site in the Housing Element. The City has met all of its housing needs in every income category as a part of the Regional Housing Needs Allocation (RHNA). The General Plan Land Use Category Description for the project site, the Low/Medium Density Residential Land Use Designation, describes only detached houses and accessory dwelling units as compatible dwelling unit uses with the surrounding neighborhood. Also, the maximum development allowed for this land use category is seven dwelling units per acre, not 23 dwelling units per acre as proposed. The proposed density is equivalent to the Medium/High density land use designation which allows for higher density apartments.

Staff also concluded that the project does not comply with the following development standards of the Municipal Code:

1. Permitted Uses (multifamily dwelling units prohibited; 15 multi-family dwelling units proposed).
2. Parking (two garaged spaces per dwelling unit required (30 total); 10 unenclosed spaces proposed of which four spaces are tandem and zero garaged spaces are provided and includes the conversion of a two-car garage into personal storage).
3. Landscape (15 percent of property required; grass provided on-site is not maintained and will not count towards meeting landscape requirements). Reference Section 17.24.050 and Chapter 18.44 for compliance provisions.
4. Irrigation (automatic irrigation required; none proposed). Reference Section 17.24.050 and Chapter 18.44 for compliance provisions.
5. Rear Setback (20 feet required; 6 feet proposed).

Attachment A

6. Street improvements and dedication for property frontage (required for new multi-family projects; none proposed).

The project does not comply with purpose, density and land use description of the Low/Medium Density Residential Land Use Designation of the General Plan and does not comply with the purpose, allowable land uses or development standards of the Residential Low/Medium Zoning District. No community benefits or street improvements are proposed as a part of the project. There is no curb, gutter, sidewalk or landscape parkway with street trees fronting the subject property and the buildings on-site are serviced by overhead utility lines. Staff coordinated with the property owner for several months encouraging the property owner to reduce the number of dwelling units to eight or less with full compliance of parking, landscape, open space and street improvement requirements. The applicant requested to move forward with the application as proposed. A 0.66 acre site in the RL/M zone qualifies for a four lot subdivision with one single-family residence and one accessory dwelling unit per lot (eight dwelling units total).

On May 9, 2018, the applicant provided a letter of support for the project (**Attachment D**). |

Public Information:

On Saturday August 12, 2017 from 12pm to 3pm, a community meeting was conducted by the applicant to discuss community issues.

Since December 7, 2017, a 32 square foot sign was posted on the property fronting the street along Crestline Drive.

The Notice of Public Hearing for this item was published in the May 3, 2018 edition of The East County Californian, and mailed to all property owners within 500 feet of the subject property.

As of May 9, 2018, the City has received no responses to the Notice of Public Hearing. At the time of the public hearing, staff will provide the City Council with any additional written comments that may be received after distribution of the staff report.

The project if denied is found to be statutorily exempt from the California Environmental Quality Act (CEQA) pursuant to the CEQA Guidelines (Section 15270). CEQA does not apply to projects which a public agency rejects or disapproves.

Conclusion:

Staff recommends that the City Council conduct a public hearing and adopt a Resolution (**Attachment B**) denying Zoning Clearance ZC1-700-0020; a request to establish 15 proposed apartment dwelling units at 2555, 2561, and 2571 Crestline Drive in the Residential Low/Medium Zone.

Should the City Council consider the project for approval, a Mitigated Negative Declaration with professional studies and subsequent City Council hearings shall be required. Full Title 15 compliance would be required should the project be considered for approval including compliance with fire sprinklers, a fire alarm system and ADA accessibility requirements. Staff would recommend that the City Council continue the public hearing to August 21, 2018 should the Council desire to consider the project for approval.

RESOLUTION NO. []

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LEMON GROVE DENYING A ZONING CLEARANCE REQUEST TO ESTABLISH 15 APARTMENT DWELLING UNITS AT 2555, 2561, AND 2571 CRESTLINE DRIVE (ZC1-700-0020), LEMON GROVE, CALIFORNIA []

WHEREAS, on December 5, 2017, the applicant, Mr. Matthew Philbin of Anthem Real Estate Ventures, Inc. submitted a Zoning Clearance application (ZC1-700-0020) - a request to establish 15 apartment dwelling units at the Subject Property; and

WHEREAS, on May 15, 2018, the City Council held a duly noticed public hearing to consider Zoning Clearance ZC1-700-0020; and

WHEREAS, the project to be denied is found to be statutorily exempt from the California Environmental Quality Act (CEQA) pursuant to the CEQA Guidelines (Section 15270); and

WHEREAS, the City Council determined that the following findings of fact as required by Section 17.24.090(P) of the Lemon Grove Zoning Ordinance (one of the two findings is required) cannot be made to approve the project:

1) That the new nonconforming use can be carried without injury to the residents of adjacent properties and of the neighborhood;

- The proposed project is injurious to adjacent properties and the neighborhood. The project does not comply with purpose, density and land use description of the Low/Medium Density Residential Land Use Designation of the General Plan and does not comply with the purpose, allowable land uses or development standards of the Residential Low/Medium Zoning District. No community benefits or street improvements are proposed as a part of the project.

2) The benefit to the public health, safety or welfare exceeds any detriment inherent in such change;

- The proposed project is detrimental to the character and welfare of adjacent properties and the neighborhood. The project does not comply with purpose, density and land use description of the Low/Medium Density Residential Land Use Designation of the General Plan and does not comply with the purpose, allowable land uses or development standards of the Residential Low/Medium Zoning District. No community benefits or street improvements are proposed as a part of the project; and []

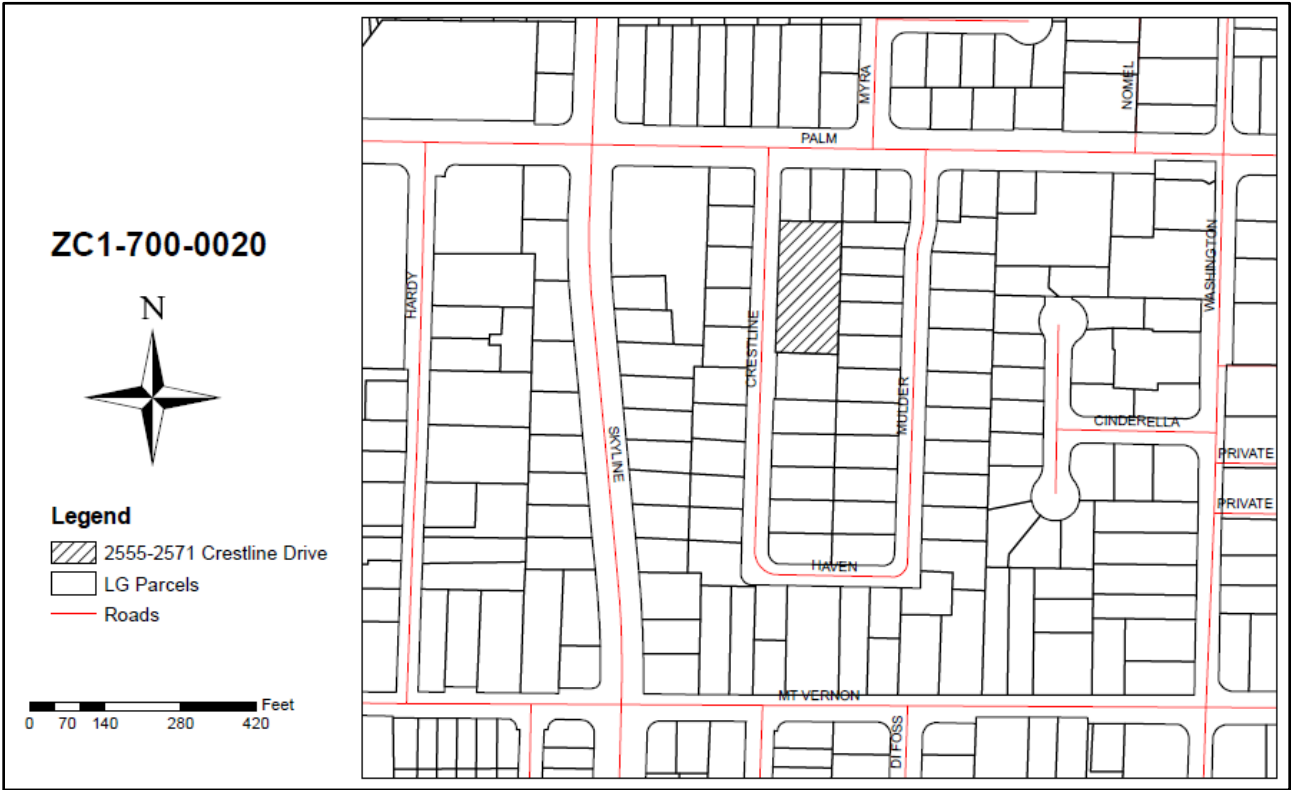
NOW, THEREFORE, INCORPORATING THE ABOVE STATEMENTS HEREIN, BE IT RESOLVED that the City Council of the City of Lemon Grove hereby:

1. Denies Zoning Clearance ZC1-700-0020 - a request to establish 15 apartment dwelling units at 2555, 2561, and 2571 Crestline Drive (APN: 480-591-14-00) in the Residential Low/Medium Zone based on the above findings.

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PROJECT SITE AND VICINIITY MAP



MATTHEW PHILBIN

4300 Newton Ave #4
San Diego, CA 92113
(619) 694-9253
mphilbin@anthemrev.com

May 9th, 2018

Dear Mayor Vasquez & Members of the City Council,

For 60 years and 3 generations the Boren family operated 2555-71 Crestline Drive as a state licensed Residential Care Facility, and most recently, as an Independent Living Facility. When bankruptcy forced Aileen Boren to retire my company purchased the property. I wish to bring much needed new life to this property which has accumulated an enormous amount of deferred maintenance over the past few decades. With your support, the end result of this remodel will be high quality housing that is naturally affordable. Affordable Housing is an important piece of the puzzle for housing special needs groups but on average costs taxpayers ~\$350,000 per unit to construct plus assigned project-based vouchers to cover operating expenses. The Crestline remodel will deliver the same benefit to society with no upfront subsidy or developer fee (industry standard 7 figure dollar figure paid up front to developer). Comparable properties officially designated affordable pay \$0 in property tax but do use many services. When the remodel is complete my new assessed value will be quadruple the second highest on the street. So while I have declined to provide sidewalks, curbs, and underground the street utilities up front, I will be absolutely beyond question pay my fair share.

In 1961 the County Board of Supervisors approved Special Use Permit P61-16 for a 16 unit residential care facility. The Boren's held a valid state license allowing up to 40 residents and exercised said license. In 1979 the new city of Lemon Grove Planning Commission said the state and county permits must match. The Boren's application for SUP 79-11 to increase from 16 units to 40 was denied by the LGPC. As it stands today there are 15 vacant units in very poor condition, several bathrooms and 3 kitchens are shared. Without adding more

Attachment D

dwelling units or square footage than already exist I wish to add kitchenettes and bathrooms so that each apartment has its' own.

In essence, the proposal is to convert 15 blighted units of 'Independent Living' into 15 market-rate apartments which I will voluntarily lease to homeless veterans & civilians, and developmentally disabled seniors with housing vouchers.

I have strong relationships with all the leading service providers of housing solutions for veterans, homeless and physically & developmentally disabled. I am prepared to work with local agencies to give Lemon Grove's most vulnerable citizens priority access to high quality affordable housing. The property will be enrolled in the Sheriff Department's Crime Free Multifamily Housing Program. There will be a designated on-site manager and all neighbors already my contact information. Last summer I delivered a description of the proposal and invitation to an Open House/Barbecue to every home within 500 feet. Approximately 15 of the neighbors in closest proximity attended and there was 100% unanimous agreement that the proposed use of the property is far superior than the current. In today's world how rare is it that we can all agree on anything?

Sincerely,

A handwritten signature in black ink, appearing to read "Matthew Philbin", with a stylized flourish at the end.

Matthew Philbin

CEO, Anthem REV



CITY OF LEMON GROVE

"Best Climate On Earth"

Community Development Department

April 19, 2017

Aileen Boren
2555-2571 Crestline Drive
Lemon Grove, CA 91945

Subject: **2555-2571 Crestline Drive**

Ms. Boren,

Based on San Diego County Assessor building construction records that were submitted by a potential buyer of the property, the two converted garages at 2555-2571 Crestline Drive were not converted with appropriate permits. As such, the two subject garages are required to be converted back to their intended uses as vehicle garages with appropriate access. Please note that the Director of Development Services conducted a property inspection on March 6, 2017 and observed a total of 15 bedrooms and 16 beds on-site. Since the rear unit was not converted with appropriate permits, the total number of bedrooms and beds on-site shall be equal to or less than 14 bedrooms and 15 beds on-site.

Attached is a code enforcement citation warning requiring the property owner to begin the process with the City's Planning and Building Department to re-convert the two garages by obtaining a permit by May 2, 2017.

If you have any questions, you may contact Paolo Romero, Code Enforcement Officer at (619) 825-3820.

Sincerely,

David Devries
Development Services Director

Attachments:

- 1) March 9, 2017 Letter
- 2) San Diego County Assessor Building Construction Records
- 3) City Permit Records
- 4) Code Enforcement Warning

Attachment E



CITY OF LEMON GROVE

"Best Climate On Earth"

Community Development Department

March 9, 2017

Aileen Boren
2555-2571 Crestline Drive
Lemon Grove, CA 91945

Subject: Determination of Continued Property Use at 2555-2571 Crestline Drive

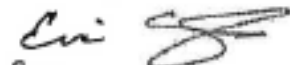
Ms. Boren,

The City of Lemon Grove completed its review of the current residential use for your property at 2555-2571. The City has determined the property's use as an Independent Living Facility can continue as long as the property's floor plan/layout remains the same with no future expansion. In addition, the provision that tenants do not receive medication and/or medical services at the property must continue. Please note that I conducted a property inspection on March 6, 2017 and observed a total of 15 bedrooms and 16 beds on-site. As such, the total number of bedrooms and beds on-site shall be equal to or less than these totals.

If you disagree with this determination, you may appeal this decision to the Lemon Grove City Council. The appeal must be filed in writing on a form available in the office of the Development Services Department within 10 days of the date of this letter. The appeal filing fee is \$75.00. An appeal will be considered by the City Council in a public hearing. This hearing may be scheduled no sooner than 15 days nor later than sixty (60) days of the filing of the appeal.

Thank you for your assistance. If you have any questions, you may contact Paolo Romero, Code Enforcement Officer at (619) 825-3820.

Sincerely,

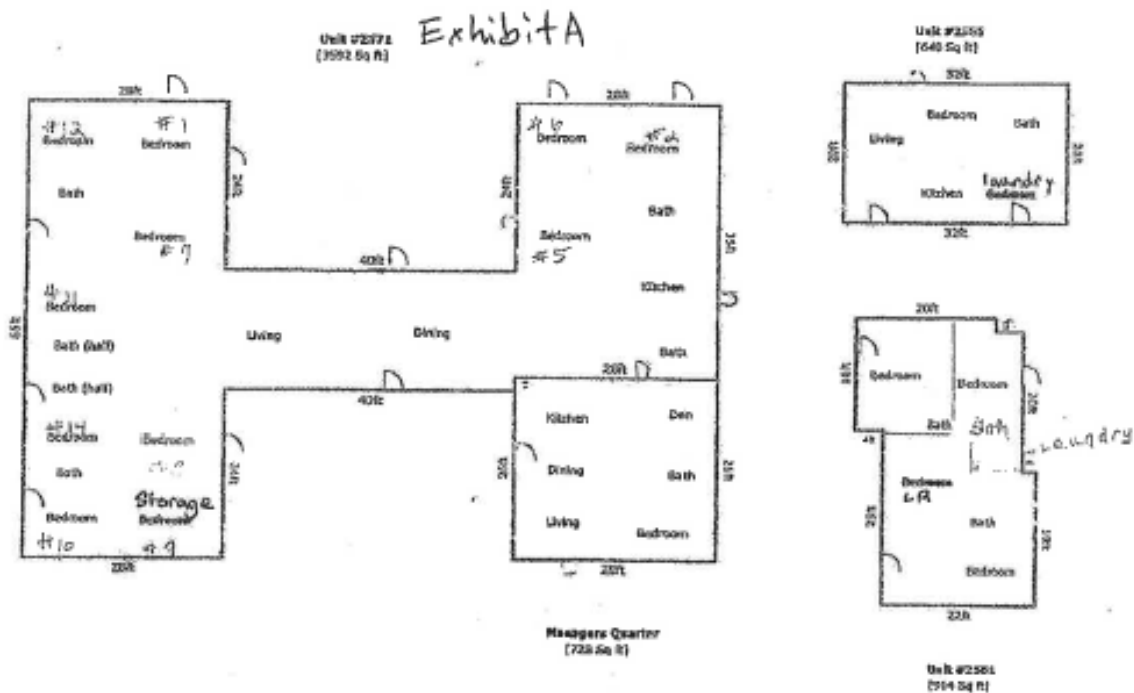

for

David Devries
Development Services Director

Exhibit A: Floor Plan 2555-2571 Crestline Drive

3232 Main Street Lemon Grove California 91945-1705

619.825.3805 FAX: 619.825.3818 www.ci.lemon-grove.ca.us



Crestline Dr. Lemon Grove, CA

Area Calculations Summary			
Living Area		Calculation Details	
Unit #2571	3592 Sq ft	30 x 28 = 102	
		65 x 28 = 182	
		17 x 40 = 68	
Unit #2555	640 Sq ft	20 x 32 = 64	
Unit #2561	914 Sq ft	22 x 19 = 41	
		20 x 5 = 10	
		16 x 20 = 32	
		14 x 4 = 56	
Messengers Quarter	728 Sq ft	28 x 26 = 728	
Total Living Area (Rounded):		5874 Sq ft	

COMMERCIAL-INDUSTRIAL BUILDING RECORD

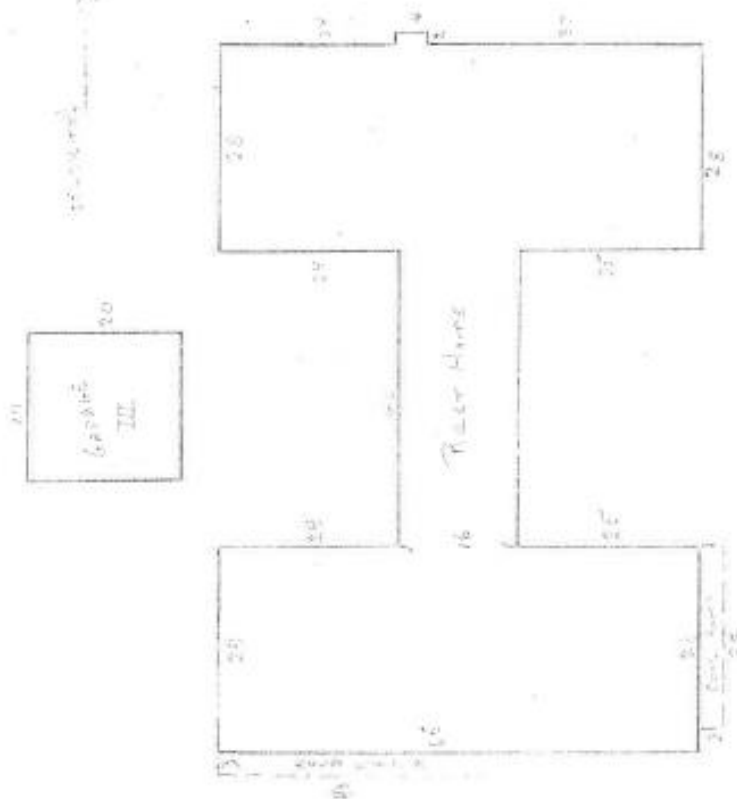
Account No. _____ Parcel No. 480-591-14

ASSESSOR, SAN DIEGO COUNTY
6007181878

Name JAMES R. ESTERLINE JR. ADDRESS 25271 REGENT LINE DR

SHEET 1 OF 3

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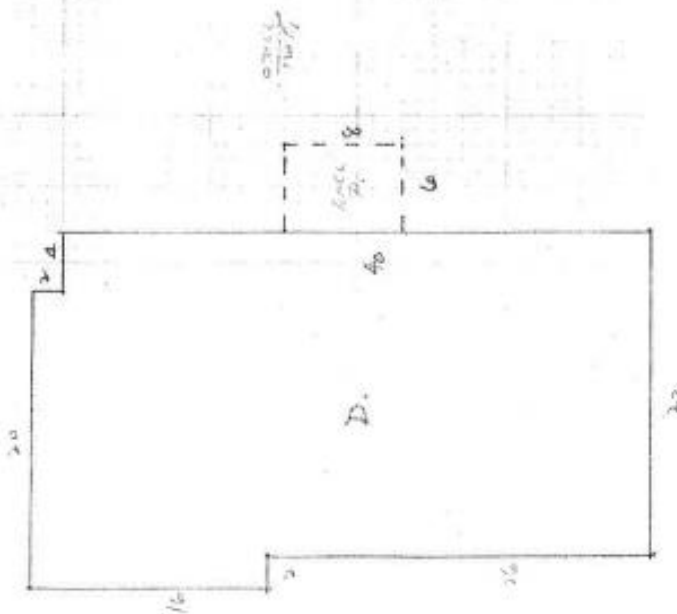


MISCELLANEOUS STRUCTURES

[illegible]

[illegible]

MISCELLANEOUS STRUCTURES

[illegible]

Attachment E

COUNTY ASSESSOR
 SAN DIEGO CO. CALIFORNIA
 1989 CAD # 4170
 RESIDENTIAL BUILDING RECORD
 ADDRESS 2555 CRESTAINE DR.
 PARCEL 040-591-14
 SHEET 2 OF 2 SHEET

DESCRIPTION OF BUILDING												
CLASS & SHAPE	CONSTRUCTION	STRUCTURAL	EXTERIOR	ROOF		LIGHTING	AIR CONDITION	ROOM AND FINISH DETAIL				
				Flt.	Shed			Wiring	Heating	Rooms	Floors	Floor Finish
ARCHITECTURE	Light	Frame	Shingles	Flt.	Shed	Wiring	Heating	Rooms	Floors	Floor Finish	Trim	Interior Finish
	Sub-Standard	Shedding	Siding	Flt.	Shed	Wiring	Heating	Rooms	Floors	Floor Finish	Trim	Interior Finish
	Standard	Shedding	Siding	Flt.	Shed	Wiring	Heating	Rooms	Floors	Floor Finish	Trim	Interior Finish
	Above Standard	Concrete Block	Shingles	Flt.	Shed	Wiring	Heating	Rooms	Floors	Floor Finish	Trim	Interior Finish
	Special	Brick	Shingles	Flt.	Shed	Wiring	Heating	Rooms	Floors	Floor Finish	Trim	Interior Finish
USE DESIGN	FOUNDATION	ADDS	SHINGLES	FLT.	SHED	WIRING	HEATING	ROOMS	FLOORS	FLOOR FINISH	TRIM	INTERIOR FINISH
	Concrete	Flt. Joint	Shingles	Flt.	Shed	Wiring	Heating	Rooms	Floors	Floor Finish	Trim	Interior Finish
	Reinforced	Flt. Joint	Shingles	Flt.	Shed	Wiring	Heating	Rooms	Floors	Floor Finish	Trim	Interior Finish
	Brick	Flt. Joint	Shingles	Flt.	Shed	Wiring	Heating	Rooms	Floors	Floor Finish	Trim	Interior Finish
	Wood	Flt. Joint	Shingles	Flt.	Shed	Wiring	Heating	Rooms	Floors	Floor Finish	Trim	Interior Finish
	Plaster	Flt. Joint	Shingles	Flt.	Shed	Wiring	Heating	Rooms	Floors	Floor Finish	Trim	Interior Finish
	Concrete Floor	Flt. Joint	Shingles	Flt.	Shed	Wiring	Heating	Rooms	Floors	Floor Finish	Trim	Interior Finish
	Isolated Ceiling	Flt. Joint	Shingles	Flt.	Shed	Wiring	Heating	Rooms	Floors	Floor Finish	Trim	Interior Finish
	Isolated Ceiling	Flt. Joint	Shingles	Flt.	Shed	Wiring	Heating	Rooms	Floors	Floor Finish	Trim	Interior Finish
	Light	Heavy	Shingles	Flt.	Shed	Wiring	Heating	Rooms	Floors	Floor Finish	Trim	Interior Finish
	Units	Heavy	Shingles	Flt.	Shed	Wiring	Heating	Rooms	Floors	Floor Finish	Trim	Interior Finish
BATH DETAIL												
FINISH												
FIXTURES												
SHOWER												
SPECIAL FEATURES												
Bath Cases												
Built in Bar												
Built in Oven												
Built in Dishwasher												

CASH COMPUTATION									
Appraiser & Date	Unit	Area	Unit Cost	Cost	Unit Cost	Cost	Unit Cost	Cost	Unit Cost
D	600	130	3120	550	3300	550	3300	550	3300
HC		120							
TOTAL									
NORMAL % GOOD									
R.C.L.N.D. 2000									
A-11 B-58									

[illegible]

Attachment F

EXHIBIT A – PROJECT PLANS

Not Attached

Enclosed in City Council packet or available at City Hall for [Review]